

Latin American News Notes

U.S. Increases Trade With Red Bloc

By JEANNE S. PERRY

When Congress reconvenes next month much discussion will center on the related subjects of increased U.S. trade with Communist nations and rising allied trade with Communist Cuba.

In the face of present U.S. trade agreements with Russia and the Soviet bloc, the United States is in no position to ask others to discontinue trading with Communist Cuba, especially when administration guide lines for trading with Communist nations are based on the various governments' attitudes toward the U.S. The administration's argument against Cuban trade is further weakened as our trade with Communist countries steadily increases. Here are but a few examples:

The U.S. and Communist Rumania agreed on June 1 to increase trade and exchange ambassadors. Individual export licenses for shipments of American goods were completely eliminated.

"In addition, the United States government agreed to grant licenses for a number of particular industrial facilities in which the Rumanian delegation expressed special interest." The "industrial facilities" were believed to include petrol, chemical and synthetic rubber plants.

Only last month, the Goodyear Rubber Co. refused to sell Rumania a poly-isoprene rubber plant despite the fact that the Commerce Department was willing to license this sale.

On October 29, it was announced that the U.S. had agreed to sell Communist Yugoslavia \$40,500,000 worth of agricultural products under the Food For Peace program. Three-fourths of the money due is in the form of long term credits extending 17 years.

Yugoslavia received similar terms earlier this year when she purchased U.S. wheat and other agricultural surpluses amounting to \$64,000,000.

During the last session of Congress, the Senate Foreign Relations Committee investigated the possibility of expanding U.S. trade with Russia and its

Eastern European satellites. On November 14, the committee chairman, Senator J. W. Fulbright, made public a volume of letters received from American businessmen asked to express their views on increasing trade with the Soviet bloc.

Fulbright said the survey produced the following results:

"Over half the businessmen replying favored liberalization and revision of export controls and procedures.

"Most of those who favored liberalization believed that American businessmen should be allowed to sell anything to the Communist countries that their free world competitors could sell.

"Many were of the opinion that the only practical effect of our strict control system was the loss of considerable business to our allies and that the system was of no practical value in preventing buildup of the military or economic potential of the Russian bloc."

Only two days after Fulbright's announcement, 92 American business leaders arrived in Moscow for meetings with the new Soviet leaders. Following the week long round of talks, the businessmen returned to the U.S. for further discussions with high administration officials.

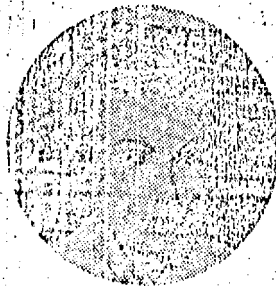
As a result, the U.S. State Department and Soviet authorities are now working on ways to further ease export restrictions aimed at raising the annual volume of trade between both nations by an additional \$50,000,000 each. U.S. exports to Russia totaled \$306,558,000 during the first 6 months of this year. Secretary of State Dean Rusk expresses this opinion on U.S. trade with the Communists:

"We must not permit ourselves to be frozen in an arbitrary stance which ignores realities."

Vice President-elect Humphrey has called for expanded trade, including strategic goods, with Communist nations. He said, "... we need, above all, to review our policy of trade with the Communist world, for such trade has vast signifi-

cance and many ramifications." Humphrey also advocated that the U.S. government underwrite credits extended to Red nations.

Increased U.S. trade with Red nations is all a part of "peaceful co-existence" designed and promoted by Russia to extend Communist control. John McCone is one of the relatively few administration officials who understand this simple logic.



The CIA director has been sending the White House a series of reports warning that increased U.S. trade with Russia is exactly what the Communists want to promote their own aims.

Senator Thomas Dodd (D-Conn.), also opposes the new trade drive. In a recent Miami address, Dodd said he saw "no evidence of moderation or of peaceful intent in this long and terrible record" of the Soviet Union. Dodd pointed to the stepped-up Communist offensive on the continent of South America, Africa and Asia, saying the Communists have employed "the broadest and most massive and most ruthless offensive in the entire history of the cold war."

Lenin made it very clear how Communists could economically defeat capitalism. He said, "It is necessary to bribe capital with extra profits... and we will get the basics (equipment) with the aid of which we will strengthen ourselves, we'll finally get up on our feet and then defeat it economically."

Speaking on November 20, First Secretary Leonid Brezhnev said, "In our relations with capitalistic countries, we consistently advocate the principle of peaceful coexistence. Soviet foreign policy is based on the

important task than insuring peaceful conditions for the construction of communism."

"Pravda," the Soviet Communist Party's official organ, recently published the following: "Peaceful coexistence is only one weapon in the battle against imperialism and the crimes of the United States, the world imperialist gendarme. You can't change imperialism by preaching about peace. Material assistance is being given to people fighting wars of national liberation in Africa, Asia and Latin America. Concrete aid to patriots there will continue to be increased."

Not only is U.S. trade with Communist nations increasing, but it now appears that the administration is taking precautionary measures to ensure that allied cargo vessel ships reach Red Cuba. We are reliably informed that following the mid-September attack on the Cuba-bound Spanish ship "Sierra Aranzazu," the White House issued a directive ordering U.S. Naval patrols in the Caribbean to "escort" and "protect" Spanish shipping destined for Cuba. The administration edict came on the heels of a meeting between Deputy Undersecretary of State Llewellyn Thompson, Secretary of State Dean Rusk, and Russian Ambassador Anatoly F. Dobrynin.

Explosions aboard some Cuban-bound Spanish ships have given rise to strong suspicions that the vessels carried arms and ammunition. Exile sources point to the explosions which occurred aboard a Spanish merchant ship docked in Havana last August, and the Spanish freighter attacked last September off the Cuban coast. In both instances, the reported blasts and fires were "suspiciously similar" to those of ammunition explosions.

On November 16, the 7,150-ton British freighter "Cedar Hill" had a fire break out in one of her holds. The British ship was escorted by a U.S. Navy destroyer to Great Inagua Island, approximately 50 miles from Cuba. The "Cedar Hill" was a general cargo ship of goods.